



Federal Communications Commission
Washington, D.C. 20554

Adopted: December 23, 2002
Released: December 23, 2002

Mr. David G. Cartwright
Director – Federal Regulatory
SBC Telecommunications, Inc.
1401 I Street, NW, Suite 1100
Washington, DC 20005

RE: *SBC/Ameritech Merger Order*, CC Docket No. 98-141

Dear Mr. Cartwright:

This letter addresses SBC Telecommunications, Inc.'s (SBC) October 17, 2002 request to the Wireline Competition Bureau (Bureau) requesting clarification on how SBC should report and test for payment liability on three performance measures (PMs) in the Carrier-to-Carrier Performance Plan (Performance Plan).¹ SBC explains that in promulgating Texas Business Rules 1.7 and 2.0, the Texas Commission adopted new versions of PM 13a (Trouble Report Rates-POTS), PM 13b (Trouble Report Rate-Design POTS), and PM 13c (Trouble Report Rates-UNE-POTS). In adopting these changes, the Texas Commission transferred payment liability for state and competitive LEC reporting to different measures and changed the old measures to diagnostic reporting. SBC states that the Texas Commission adopted new measures because the old measures included installation troubles and repeat troubles that were already accounted for in other measures, and thus, were duplicative. The corresponding federal reporting requirements for payment liability, however, were not adjusted accordingly. Thus, SBC states that under its current payment obligations, which presently subject SBC to payment liability for both the old version of the three measures as well as PM 5 (Installation Trouble Reports) and PM 11 (Repeat Trouble Reports), SBC could be required to pay twice for the same performance deficiency. Therefore, SBC requests approval to either: 1) continue to repost and test for payment liability for PM 13a, 13b, 13c, using the old Texas business rules or 2) use the old Texas business rules for reporting purposes only and use the new measures for reporting and testing for payment liability. Pursuant to the *SBC/Ameritech Merger Order*, SBC's request to use the old Texas business rules for reporting purposes only and to use the new rules for reporting and testing for payment liability, beginning with October 17, 2002 activity, is hereby granted.²

In accordance with the *SBC/Ameritech Merger Order*, this letter also clarifies that a December 10, 2002 letter to SBC intended to grant SBC authority to change a typographical error to PM 5a of the California business rules as well as the other PMs specified in that letter.³

¹ See *Applications of Ameritech Corp., Transferor, and SBC Communications, Inc., Transferee, For Consent to Transfer Control of Corporations Holding Commission Licenses and Lines Pursuant to Sections 214 and 310(d) of the Communications Act and Parts 5, 22, 24, 25, 63, 90, 95, and 101 of the Commission's Rules*, CC Docket 98-141, Memorandum Opinion and Order, 14 FCC Rcd at 15040, App. C, Attach. A (1999) (*SBC/Ameritech Merger Order*). The Commission adopted the Performance Plan in the *SBC/Ameritech Merger Order*. *Id.*

² See *SBC/Ameritech Merger Order*, 14 FCC Rcd at 14712, Attach. A, para. 4. We note that SBC originally sent this request to the Commission on October 17, 2002, and therefore, approval is based on the activity from that date on a going-forward basis.

³ See Letter from Carol E. Matthey, Deputy Bureau Chief, Wireline Competition Bureau to David G. Cartwright, Director – Federal Regulatory, SBC Telecommunications, Inc., CC Docket No. 98-141 (Dec. 10, 2002).

If SBC disagrees with any of this letter's guidance, it may file an application for review with the Commission pursuant to section 1.115 of the Commission's rules.⁴

Please do not hesitate to contact me if I can be of further assistance. In addition, you may contact Bill Dever, Assistant Division Chief, Competition Policy Division in the Wireline Competition Bureau at (202) 418-1578.

Sincerely,

Carol E. Matthey
Deputy Chief, Wireline Competition Bureau

⁴ 47 C.F.R. § 1.115.